

**Regular Meeting #23  
Monday, May 2, 2011, 7:00 p.m.  
Bloomington Civic Plaza  
1800 West Old Shakopee Road  
Bloomington, Minnesota 55431-3027**

- Call to Order and Pledge to Flag** Mayor Gene Winstead called the meeting to order at 7:06 p.m. and led the audience in the pledge of allegiance to the flag.
- Roll Call** *Present:* Mayor Winstead, Councilmembers T. Busse, A. Grady, T. Hulting, K. Nordstrom, S. Peterson, and V. Wilcox.
- New District III Council Member Tim Busse Sworn In** City Clerk Tom Ferber administered the oath of office to newly appointed District III Council Member Tim Busse.  
  
Busse stated he was pleased and honored to have been chosen as the new Council member for District III. He introduced his family who was in the audience.
- PROCLAMATION – Respect for Law Week** Mayor Winstead read and presented a proclamation declaring the Week of May 8-14, 2011, as Respect for Law Week to Optimist Club member Jim Meyers.  
  
Meyers commented on the Respect for Law program stating this is the 20<sup>th</sup> year their organization has recognized a Bloomington police officer, which is just one of the many programs they do with the City. He announced this year’s recipient is K-9 Officer Joe Spark and his dog Ross Bosco. He reported on some of their other events including the 10,000 Easter eggs they distributed, Kite Day, and the Fishing Contest.
- PROCLAMATION – Older Americans Month** Mayor Winstead read and presented a proclamation declaring May as Older Americans Month to Darrell & Lynn Christensen, active senior volunteers in the community.  
  
The Christensen’s described the activities in which they have been involved both as participants and as volunteers. They announced some upcoming activities that will occur in May for seniors.
- PROCLAMATION – National Drinking Water Week** Mayor Winstead read and presented a proclamation declaring May 1-7, 2011 as National Drinking Water Week to Public Works employees Dan Amundson and Tony Schmiege. Winstead commented on Bloomington’s plentiful and great tasting water supply.
- PROCLAMATION – Buddy Poppy Day – May 20, 2011** Mayor Winstead read and presented a proclamation acknowledging the Veterans of Foreign Wars (VFW’s) Buddy Poppy Program to this year’s chair from Bloomington’s Everett McClay Post who encouraged people to purchase buddy poppies on May 20 and to wear them proudly. The Chair also commented on his work with Councilmember Wilcox on Bloomington’s Beyond the Yellow Ribbon campaign.
- Approved 2011 Cable TV Education Access Contract  
ITEM 3.1** Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to approve a contract in the amount of \$155,121 with Independent School District #271 for educational cable access programming.
- Approved Minutes  
ITEM 3.2** Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to approve the minutes as presented for the following City Council meetings noting one abstention: August 2, 2010 (Study) and February 7, 2011 (Regular) meeting with Grady abstaining.

**Approved Amendment to SRF Consulting Contract for the 2009-202 Killebrew Pedestrian Bridge Project  
ITEM 3.4**

Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to approve an amendment to the professional services contract with SRF Consulting for the 2009-202 Killebrew Pedestrian Bridge crossing Killebrew Drive at 21<sup>st</sup> Avenue in an amount not to exceed \$60,400.

The City received a \$1 million federal grant and the Mall of America and the City executed an agreement in 2008 to share the remaining cost. This bridge will replace the at-grade pedestrian crossings at 20<sup>th</sup> Avenue and 22<sup>nd</sup> Avenue, providing a safe crossing for pedestrians to the MOA South Pad Hotel while increasing the traffic capacity of the two intersections on Killebrew Drive. Construction is slated to occur along with the South Pad Hotel in 2012. The \$60,400 includes \$12,400 for Task 1 (background investigation to provide information to Council so they can make a decision on the level of enclosure/HVAC) and either \$15,300 (Task 2) or \$48,000 (Task 3) for the design and management of the selected option.

**Authorized Sale of City Vehicles  
ITEM 3.5**

Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to authorize the sale of City vehicles at the Hennepin County Auction scheduled for May 21, 2011. The vehicles listed in the agenda materials have been replaced and are no longer needed by the City.

**Approved Funding Transfer to Aquatic Center Improvement & Penn & 81<sup>st</sup> Road Improvements  
ITEM 3.7**

Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to approve the use of the designated funds and approve the transfer of these funds in the amount of \$1,200,000 for Aquatic capital improvements and \$800,000 for the Penn & 81<sup>st</sup> capital infrastructure improvements.

In 2009, the City Council designated funds of \$2,000,000 for the Penn & American Project, specifically improvements for a new road at Penn Avenue & 81<sup>st</sup> Street. Current engineer estimates from this funding source has been reduced to \$800,000. It has further been determined that there are significant improvements needed at the Bloomington's Family Aquatic's Center that are in need of the remainder of these designated Funds. As a result, staff recommends use of the \$1,200,000 not needed for the Penn & American project to be transferred to the Aquatics Center Fund. Transfer of the entire \$2,000,000 to be used for the two projects is as follows:

Aquatics: (Capital – Buildings & Structures 560-8461-451.70-21)	\$ 1,200,000
Penn Avenue & 81 <sup>st</sup> Street: (Capital project 2011-301) (810-0000-391.58-01)	\$ 800,000

**Adopted Resolution Approving Execution & Delivery of Improvement Funding & Special Assessment Agreement Between MOAC, the City, and the Port Authority (City Project 2011-802)  
ITEM 3.8A  
R-2011-58**

Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to adopt a resolution which approves the execution and delivery of the Improvement Funding and Special Assessment Agreement between MOAC and the City of Bloomington and Bloomington Port Authority for Improved Lighting in a Public Parking Facility. The Mall of America (MOA) is switching the parking ramp lighting to LED lighting (2011-802 Mall of America LED Parking Ramp Lighting Project). The total cost of this project is approximately \$3.1 million and the MOA has requested a loan from the City in the amount of \$2 million plus \$11,500 for City costs. Funding for this loan will come from accumulated tax increment revenue in District 1-C. Repayment by the Mall will occur over a five-year period with 4% interest, all of which will flow back into District 1-C.

**Adopted Resolution Declaring Adequacy of Petition, Accepting of Feasibility Report & Ordering of Project 2011-802 for MOA  
ITEM 3.8B  
R-2011-59**

Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to adopt a resolution declaring the Adequacy of the Petition by the Mall of America, accepting of the Feasibility Report, and ordering improvements for Project 2011-802 Mall of America LED Parking Ramp Lighting Project for the installation of new energy-efficient, cost-saving LED lighting in the public parking ramps located at the Mall of America.

**Adopted Resolution  
Approving  
Assessment Roll  
2011-1  
ITEM 3.8C  
R-2011-60**

Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to adopt a resolution approving Assessment Roll 2011-1 for the 2011-802 Mall of America LED Parking Ramp Lighting Project for the installation of LED lights in the ramps at the Mall of America as described in Item 3.8A and 3.8B above.

The total cost of the improvement is approximately \$3,135,500, of which \$2,011,500 is proposed for assessment to LOT 1, BLOCK 1 MALL OF AMERICA 7<sup>TH</sup> ADDITION (MOA). The remaining project costs will come from a utility rebate, ARRA grant, and the Mall of America.

**Adopted Resolution  
Approving Interfund  
Loan for MOA LED  
Parking Ramp  
Lighting Project  
ITEM 3.8D  
R-2011-61**

Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to adopt a resolution approving an Interfund Loan for advance of certain costs in connection with Tax Increment Financing District 1-C. The City proposes to finance a portion of the costs of the LED Lighting Project in the amount of up to \$2,011,500 and MOAC has agreed to be assessed for such costs over a term of five years at an interest rate per annum of four percent. The City will borrow tax increment revenues generated from TIF District No. 1-C. As the City receives assessment payments from MOAC for the project, it will repay the loan.

**Approved Assessment  
Agreement Between  
United Properties,  
Southtown Baptist  
Church, and the City  
Re: Project 2008-303  
ITEM 3.9**

Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to approve an Assessment Agreement between United Properties Residential, LLC, Southtown Baptist Church, and the City stating the City will cancel the existing special assessment and reassess the costs to include Southtown Baptist on the Assessment Roll for payment of a portion of the costs for Project 2008-303 Russell Avenue Improvements between West 81<sup>st</sup> Street and West 82<sup>nd</sup> Streets.

**Approved Advance  
Relocation Payment to  
St. Croix Promotions,  
Inc.  
ITEM 3.10**

Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to approve an advance relocation payment of \$20,000 to tenant St. Croix Promotions, Inc. in connection with the Lindau Lane extension street project. St. Croix Promotions, Inc. is a tenant at the Alpha Business Center properties and is scheduled to move out on or about May 31, 2011.

As a tenant, St. Croix Promotions, Inc. is eligible for certain relocation benefits. SRF Consulting Group, Inc., the City's relocation consultant, recommends the City make payment as requested. The "advance" payment will be deducted from the full relocation entitlement for St. Croix Promotions, Inc. when the relocation claims are filed.

Relocation benefits for St. Croix Promotions, Inc. and other tenants will be paid from Fund 435, Project 2009-704.

**Awarded Contract to  
Bituminous  
Roadways, Inc. for  
Reconstruction  
Projects at Tarnhill &  
Westwood Parks  
ITEM 3.11**

Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to award a contract for the Tarnhill Park and Westwood Park Court Reconstruction Project to Bituminous Roadways, Inc. in the amount of \$109,875 and to approve a 10% contingency to cover any unforeseen circumstances that may arise during construction.

The project includes the reconstruction of two existing tennis courts located at Tarnhill Park into one tennis court and one basketball court, and the reconstruction of two existing tennis courts located at Westwood park into one tennis/pickle ball court and three pickle ball courts.

Funding for this project is available in the Parks Capital Fund 411-9502-451.70-31. Council approved funding for tennis court reconstruction/resurfacing on April 21, 2008 and on September 14, 2009, of which a balance of \$182,400 is available for this project. The low total bid received is approximately \$12,000 under the preliminary construction cost estimate for this project.

**Adopted Adjustment  
to Wastewater Budget  
for Grant Revenue  
ITEM 3.12**

Motion was made by Nordstrom, seconded by Peterson, and all voting aye, to adopt a budget adjustment to recognize additional grant revenue in the amount of \$169,571 in the 2011 Wastewater Budget (Sanitary Sewer) as a result of a grant from the Met Council for Inflow and Infiltration remediation on April 18, 2011.

**Approved Relocation  
Payment to Superior  
Freight Services, Inc.  
ITEM 3.3**

This item was held by Grady who requested staff provide a running total on the relocation costs for this project to be sure the City stays on track regarding this budget.

Motion was made by Grady, seconded by Wilcox, and all voting aye, to approve moving expenses of \$43,248.06 and reestablishment expenses of \$50,000 to former tenant Superior Freight Services, Inc. in connection with the Lindau Lane extension street project. Superior Freight Services, Inc. was a tenant at the Alpha Business Center properties and moved out on January 31, 2011. Moving expense payments are based on the actual cost to move the business while reestablishment payments are the lesser of the cost of reestablishing the business or \$50,000. SRF Consulting Group, Inc., the City's relocation consultant, submitted documentation regarding these expenses and recommends payment by the City.

Relocation benefits for Superior Freight Services, Inc. and other tenants will be paid from Fund 435, Project 2009-704.

**Accepted Donations  
ITEM 3.6**

Motion was made by Nordstrom, seconded by Wilcox, and all voting aye, to accept the following donations made by various donors to various City activities and to amend the expenditure and revenue budgets to facilitate the appropriate use of these funds: \$1,000 donated by WEDU, Inc. (Reader's Digest) to the City of Bloomington; \$100 donated by Martha Lantz, \$100 donated by Donald Gibson, and \$150 donated by the Knights of Columbus for Fire Department equipment; a National Police Week banner valued at \$1,000 donated by Peter Strommen, President of Process Displays to the Police Department; and 2 birdhouses, 1 birdfeeder and a book about birds valued at \$100 donated by Pinnacle Services to Human Services for their May POM Senior Dining event.

**OPENED PUBLIC  
COMMENT PERIOD**

The Mayor declared the public comment period open for those wishing to address the Council on matters other than items included on the agenda. No one came forward to speak, so the Council returned to its regular agenda.

**Approved New On-  
Sale Intoxicating  
Liquor License for  
Blue Point Restaurant  
4400 West 78<sup>th</sup> Street  
ITEM 5.1A**

Motion was made by Peterson, seconded by Nordstrom, and all voting aye, to approve a New On-Sale Intoxicating Liquor license, expiring June 30, 2012, for Dining Concepts Inc. II dba Blue Point Restaurant located at 4400 West 78<sup>th</sup> Street.

No staff report was provided and no public testimony was received.

**Cancelled Public  
Hearing on the  
Therapeutic Massage  
License Violation for  
Li Ping Yu dba  
Relaxing &  
Therapeutic  
Massage Center  
ITEM 5.1B**

City Manager Mark Bernhardson stated the City has entered into a Memorandum of Understanding (MOU) with Li Ping Yu dba Relaxing & Therapeutic Massage Center located at 367 North Garden (Mall of America), which will allow her to continue operation of her therapeutic massage business. The MOU will allow the City to monitor this business for licensing and health irregularities due to the past violations that have occurred with this business.

Motion was made by Grady, seconded by Nordstrom, and all voting aye, to cancel the public hearing that was scheduled for tonight regarding the violation of employing unlicensed massage therapists by Li Ping Yu dba Relaxing & Therapeutic Massage Center at 367 North Garden (MOA).

No public testimony was received.

**Adopted Resolution  
Approving Conditional  
Use Permit for the Al  
Farooq Youth & Family  
Center at 8201 Park  
Avenue South  
Case 8915A-11  
ITEM 5.2A  
R-2011-62**

Acting Planning Manager Glen Markegard presented the staff report on an application filed on behalf of Lutheran High School Association of Greater Minneapolis, owners of the property at 8201 Park Avenue South, for a Conditional Use Permit for a private school, a day care, and a place of assembly/community center, which was continued by the City Council on April 4 and 18, 2011. He reviewed the three requests made by the Council of the applicant at their meeting on April 18 as follows:

**ITEM 5.2A continued**

- Provide 25 additional parking spaces on site prior to use as an assembly.
- Provide 25 additional spaces on site prior to use as a school.
- Provide 50 “proof of parking” spaces on site should they prove to be needed.

Markegard stated the enclosed resolution approving a Conditional Use Permit (CUP) incorporates those three additional conditions. Using an aerial photo, he explained the area in yellow immediately in front of the school is where their first 25 priority spaces would be located. The priority area for the second 25 spaces is also shown in yellow on the aerial map. And finally, the additional 50 “proof of parking” spaces is the area located with a red dotted line on the aerial map. He stated the CUP is recommended for approval by the Planning Division staff and the Planning Commission subject to the additional conditions as discussed and listed in the resolution.

Nordstrom inquired if this amount of parking puts the applicant above the allowed amount of impervious surface.

Markegard replied that only applies to single-family homes.

Wilcox inquired as to how the “proof of parking” package will be accessed.

Markegard stated the discussion to date is for it to be accessed off of the existing drive aisle shown in green on the map.

Wilcox suggested putting an access on the back side to relieve some of the traffic on Park Avenue.

Motion was made by Peterson, seconded by Nordstrom, and all voting aye, to adopt a resolution approving a Conditional Use Permit for a private school, a day care, and a place of assembly/community center at 8201 Park Avenue South, Case 8915A-11, for the Al Farooq Youth and Family Center, as presented and discussed including the 6 conditions of approval and 8 Code requirements as set forth by the Planning Division staff and the Planning Commission:

1. Prior to the issuance of any certificate of occupancy, Sewer Availability Charges (SAC) shall be satisfied, if applicable;
2. Prior to the issuance of any certificate of occupancy, the site development agreement must be updated to reflect all conditions of approval in Case 8915A-11;
3. To ensure sufficient off-street parking:
  - a. Prior to the issuance of a certificate of occupancy for use of the building for assembly, the property owner/applicant must obtain all required approvals for and construct at least 25 City Code compliant additional on-site parking spaces on land owned by the property owner/applicant;
  - b. Prior to use of the building as a school and prior to the use of the spaces identified as school classrooms, the property owner/applicant must obtain all required approvals for and construct at least 25 City Code compliant on-site parking spaces (in addition to parking spaces described in Condition #3a above) on land owned or permanently controlled by the property owner/applicant;
  - c. Prior to the issuance of any certificate of occupancy, the property owner/applicant must sign a proof of parking agreement prepared by the City that:
    1. Identifies the location for the construction of 50 City Code compliant on-site parking spaces (in addition to the parking spaces identified in Conditions #3a and #3b above) on land owned or permanently controlled by the property owner/applicant; and
    2. Agrees that the additional 50 parking spaces must be constructed if overflow parking occurs;
  - d. While the school/day care is in session, the use of the large gymnasium and cafeteria is limited to school/day care activities;
  - e. While other on-site assembly areas are in use, the use of the large gymnasium and cafeteria is limited to student activities that do not generate additional parking demand;

**ITEM 5.2A continued**

- f. A sidewalk connection, as approved by the City Engineer, linking the school with the southeast Smith Park parking spaces must be constructed if overflow parking occurs;
  - g. The user of the site must maintain rights to utilize the parking spaces on land not owned by the property owner/applicant as identified in the staff report and must provide copies of agreements/leases to the Planning Manager;
  - h. Changes in occupancy, building use or access to the parking spaces on land not owned by the property owner/applicant as identified in the staff report must be reviewed and approved by the Planning Manager and may require an amendment to the Conditional Use Permit;
  - i. Joint parking and outdoor recreation/athletic facilities usage agreements between the City and the property owner must be updated by September 1, 2011 to reflect proposed site use patterns, subject to the approval of the Parks and Recreation Manager;
  - j. The property owner, subject to the review and approval of the Parks and Recreation Manager, must prepare in January of each year, an annual plan that coordinates the use of joint parking areas and outdoor recreation/athletic facilities in a manner that minimizes overlapping demand;
  - k. The capacity of the large gymnasium is limited to 500 occupants;
  - l. The property owner must provide traffic control services if overflow parking occurs;
- 4. Development must comply with the Minnesota State Accessibility Code;
  - 5. All pickup, drop-off, loading and unloading must occur on site and off of public streets;
  - 6. Alterations to utilities are at the developer's expense;

and subject to the following Code Requirements:

- 1. Building shall be provided with an automatic fire sprinkler system as approved by the Fire Marshal (MN Bldg. Code Sec. 903, MN Rules Chapter 1306; MN State Fire Code Sec. 903);
- 2. All trash and recyclable materials be stored inside the principal building (Sec. 19.51);
- 3. Recyclable materials shall be separated and collected (Sec. 10.45);
- 4. Fire lanes be posted as approved by the Fire Marshal (MN State Fire Code Sec. 503.3);
- 5. Parking lot and site security lighting shall satisfy the requirements of Section 21.301.07 of the City Code;
- 6. Sign Design be in conformance with the requirements of Chapter 19, Article X of the City Code;
- 7. The building shall not be occupied until the Building Official has issued a certificate of occupancy (Sec. 15.04); and
- 8. All underground tanks that have been out of service for at least one year must be removed as approved by the Fire Marshal (International Fire Code Section 3404.2.12.1.3).

No public testimony was received.

**Cancelled Public Hearing Regarding Designation of District & Precinct Boundaries  
ITEM 5.4A**

Bernhardson stated the City Council has rarely had to cancel a public hearing let alone two in one evening but explained legislation passed by the Minnesota State House of Representatives three weeks ago and by the Minnesota State Senate last week was signed by Governor Dayton last Friday, which results in alleviation of the need to redistrict this year.

Motion was made by Peterson, seconded by Nordstrom, and all voting aye, to cancel the public hearing regarding the designation of district and precinct boundaries due to legislation that was passed by the Minnesota State House and State Senate and signed by Governor Dayton that alleviated the need for redistricting City ward district boundaries in 2011.

As the public hearing was cancelled, no public testimony was requested.

**Acknowledged &  
Closed the Public  
Hearing on a  
Minnesota Investment  
Fund Application by  
Electronic Controlled  
Systems, Inc. dba  
King Controls  
ITEM 5.5A**

Larry Lee, Community Development Director presented background on the public hearing that was held on the Minnesota Investment Fund (MIF) Loan application submitted by Electronic Controlled Systems, Inc., dba King Controls. He stated the City of Bloomington hasn't applied for many of these Minnesota investment loans but the State of Minnesota makes a loan to the City which in turn makes a loan to the company. He explained the purpose of this agenda item is to conduct the public hearing and take public input on the City providing a loan to this company. A resolution authorizing submission of the loan application will be presented to the City Council on May 16, 2011. He stated the amount of the loan being requested from the State of Minnesota Department of Energy & Economic Development is \$227,500. He introduced Susan King, of King Controls who provided the following information to the Council.

Presenter #1: Susan King, King Controls, 11200 Hampshire Avenue South  
She provided information about their 25-year old company stating they specialize in motor-controlled devices primarily in niche markets such as RV, marine and over-the-road trucking. She provided a sample of the product for which they recently received a 30,000-piece order from a major satellite provider to be delivered over 18 months. In 2007, King Controls introduced a portable antenna that works with local TV satellite providers in North America and in Canada. They presented an idea to the portable mobile industry that marries the receiver (the mobile set top box) to the antenna software, which eliminates expensive, redundant electronics that gets them to an absolute "game-changing" price point. She stated the product they will be supplying this particular provider will be privately labeled and will be based upon and look like the product she showed. She stated they presented this provider with an opportunity and a plan, which they embraced. This is a very exciting opportunity for King Controls. This new product will take them out of their niche market and into the consumer market; specifically the tailgater. She added they are confident this initial order will result in ongoing business for their company. She explained this product will help customers with limited Internet access in the marine, trucking, RV, tailgating, cabin and second home markets. It works in conjunction with a receiver and a satellite provider. She explained they requested financial help from the Department of Employment and Economic Development's (DEED's) Minnesota Investment Fund to help launch this order. They anticipate adding 18 new jobs as a result of this order. In order to launch this order, they will have to make some capital investments in tooling and work stations. She stated they met with the City's Becky Schindler who toured their facility and is helping them with the application process. She commented they've been in this industry for a long time and in Bloomington since 2003 and never has there been an opportunity like this.

Council comments/inquiries:

Busse inquired as to the type of jobs that will be generated as a result of this order.

King replied assemblers, electronic techs, a purchasing assistant, an inventory assistant, and two engineers. The assembly positions will pay \$9-\$10 per hour. Ten positions will pay \$13 per hour. In addition, they have good health and life insurance benefits. She stated they have many great long-term employees who moved with the company when it relocated from St. Louis Park to Bloomington. They currently employ 40 people. An announcement will be made on Thursday.

Motion was made by Wilcox, seconded by Peterson, and all voting aye, to acknowledge and close the public hearing on the Minnesota Investment Fund loan application by Electronic Controlled Systems, Inc. dba King Controls.

No public testimony was received.

It was restated the Council will take formal action on the loan application on May 16, 2011.

**ITEM 5.5A continued** Winstead commented the Regional Council of Mayors is working very hard on job growth adding it's not necessarily the large companies that are stimulating job growth. Many times it's the companies the size of King Controls that are creating jobs from economic growth.

**CLOSED PUBLIC COMMENT PERIOD** The Mayor asked if anyone wished to address the Council during the public comment period, or it would be closed. No one came forward to speak so the public comment period was closed.

**City Council Policy & Issue Update  
ITEM 6.1**

City Manager Bernhardson reminded Council of the following: Joint City Council/Port Authority meeting on May 3 at 5:30 p.m., study and regular meetings on May 16 at 5:30 p.m. and 7 p.m. respectively, no study meeting on May 23, and the Memorial Day holiday on May 30.

Regarding jobs, Bernhardson announced the financing documents closed on the Radisson Blu Hotel so they can break ground in 30-60 days, which will put 250 construction workers to work. It is planned the 500-room hotel will open in March 2013. He stated this is one of the most complex physical and financial packages that has been put together in a long time on the public side. He said more construction and long-term jobs appear to be on the horizon in the near future as both Polar Semiconductor and Cypress Semiconductor are looking to expand. In addition, the City is hopeful that the Penn & American Boulevard project will be moving forward within the next several months. In summary, he said there will be lots of construction and long-term jobs coming in the future.

Nordstrom commented she attended the Angelica Cantanti concert at St. Michael's Church and reported there were over 700 in attendance. On behalf of Angelica Cantanti, she thanked the Council for supporting the various arts groups in Bloomington and said that support needs to continue.

**Acknowledged 2011 Report from Board of Appeal & Equalization  
ITEM 6.2**

Matt Gersemehl, City Assessor reported the Board of Appeal & Equalization concluded its public hearing on April 27 and proceeded to present the 2011 Report from the Board of Appeal & Equalization, which the Council was asked to accept. He stated the Findings of Local Board of Appeal are final and will be provided to Hennepin County. He reported the Assessing staff handled approximately 250 inquiries and that (8) formal applications were made to the Board of Appeal (2 commercial and 6 residential). After hearing testimony by the applicants and reviewing relevant market data, he stated the Board reached decisions in each of those cases and summarized their decisions as follows:

- One (1) case where the Board sustained the Assessor's market value.
- Three (3) cases where the appellants were not prepared to offer testimony at the meeting and desired to preserve their right to proceed to the Hennepin County Board of Appeal in June. Those values were consequently sustained by the Board.
- Two (2) cases where the Board reduced the Assessor's value down to the City's recommended value at the time of the hearing.
- Two (2) cases in which the Board reduced the value below the City's recommended value.

Gersemehl explained Assessing staff and the Local Board of Review were looking at the January 2, 2011 market value, which is based on sales that occurred between October 1, 2009 through September 30, 2010. He explained all applicants to the Local Board have the option of proceeding to the Hennepin County Board of Appeal, which meets on Monday, June 13, 2011. Also, all applicants may appeal directly to the Minnesota Tax Court with the help of the City's Assessing staff.

Winstead commented on the property owners who had requested a reduction but then refused Assessing staff entry so their properties could be assessed. As a result, Assessing has to sustain what it does know.



**ITEM 6.2 continued**

Gersemehl explained in addition to property owners refusing Assessing staff entry to their property, they have had favorable outcomes at the County Board of Review so have asked that their rights to proceed to the County Board be preserved. As a result, they choose not to testify at the Local Board.

Bernhardson thanked the Local Board of Appeal & Equalization for their professional input and the Assessing staff for being leaders in helping the County and the State understand why just having historical data in their field that may be 2, 3 and 4 years old is not a good way to go because a liability could be incurred by doing so. He stated the market value of all of the properties in the city of Bloomington is approximately \$10 billion. By comparison, he noted the amount of value that was presented to the Board for a change mounted to less than \$100,000. He stated that speaks to the quality of the work that is done by Bloomington's Assessing staff.

Winstead agreed and stated another way to state it is there are approximately 30,000 properties that are subject to review and assessment in the city and only nine put forth a challenge.

Gersemehl stated it actually resulted in only three property values being challenged. He recognized the following members of the Local Board of Appeal & Equalization whose six-year terms have now expired: Dwight Dalen, Clay Dodd, and Dale Hildestadt. As a result, he stated there will be three openings on the 2012 Local Board and encouraged professionals in the industry to apply.

Grady commented the Bloomington Assessing staff is known as being the "tops" by their peers.

Motion was made by Peterson, seconded by Wilcox, and all voting, to acknowledge the 2011 Report from the Board of Appeal & Equalization as presented by the City Assessor.

**Appointment to the  
Housing and  
Redevelopment  
Authority  
ITEM 6.3**

Bernhardson stated former Council member Steve Elkins was a member of the Bloomington Housing and Redevelopment Authority (HRA) but his recent resignation from the City Council has created a vacancy. He stated it does not have to be filled by a Council member.

Grady inquired if the applicants that interviewed for Elkins' Council seat could be considered for this appointment to the HRA, as Council had previously expressed a desire that members appointed to the Council serve on a commission prior to serving on the Council.

Bernhardson stated it doesn't have to be a Council member but traditionally there has been one on the HRA. He stated Council could reopen the application process in order to accept more applications. He said Council could then appoint from the entire group of applicants or could choose to interview them.

A motion was made by Peterson, (no seconder at this time), to reopen the HRA application process and to direct staff to send a letter to each person who had applied for the open Council seat inviting them to apply for this HRA vacancy and that a deadline of May 31 be set to complete the process.

Winstead suggested the announcement be published and opened to the public.

Wilcox stated the HRA is uniquely different from other commissions and inquired if there was any Council member who is interested in serving on it.

Hulting stated he would be interested in serving to fulfill his lack of previous commission service.

Peterson withdrew his motion.

Motion was made by Wilcox, seconded by Peterson, and all voting aye, to appoint Hulting to fill the vacancy on the Housing and Redevelopment Authority expiring on December 31, 2012, that was vacated when Steve Elkins resigned from the City Council.

**Appointment to the  
Minneapolis Regional  
Chamber of  
Commerce Board  
ITEM 6.4**

Bernhardson stated another board on which Elkins served is the Minneapolis Regional Chamber of Commerce and inquired if any Council members were interested in serving on this one.

Grady indicated she was interested.

Motion was made by Peterson, seconded by Nordstrom, and all voting aye, to appoint Grady to fill the vacancy on the Minneapolis Regional Chamber of Commerce Board expiring on December 31, 2011, that was vacated when Steve Elkins resigned from the City Council.

**Appointment to the  
I-35W Solutions  
Alliance  
ITEM 6.5**

Bernhardson stated another board on which Elkins served is the I-35W Solutions Alliance and inquired if any Council members were interested in serving on this one. He explained the primary mission of this joint powers group is to find reasonable ways to improve I-35W as soon as possible. He added the Alliance's membership focus is on the appointment of an elected official, with staff providing alternate support. He reported the dues for 2010 was \$6,000.00 and will be for 2011. The appointments made in 2011 are as follows: Elkins, City Council representative, Public Works Director Karl Keel, City staff representative, and Councilmember Vern Wilcox, Alternate representative.

Busse volunteered to serve on the I-35W Solutions Alliance and on the I-494 Corridor Commission (see the next item also).

Motion was made by Wilcox, seconded by Peterson, and all voting aye, to appoint Busse to fill the vacancy on the I-35W Solutions Alliance expiring on December 31, 2011, that was vacated when Steve Elkins resigned from the City Council.

Community Development Director Larry Lee announced Acting Planning Manager Glen Markegard will be the City staff representative.

**Appointment to the  
I-494 Corridor  
Commission  
ITEM 6.6**

Motion was made by Wilcox, seconded by Peterson, and all voting aye, to appoint Busse to fill the vacancy on the I-494 Corridor Commission expiring December 31, 2011, that was vacated when Steve Elkins resigned from the City Council.

**Adjourn Meeting**

Mayor Winstead adjourned the meeting at 8:16 p.m.

Barbara Clawson  
*Council Secretary*